

The complaint

Ms S is unhappy with what ManyPets Ltd did when it sold her a lifetime pet insurance policy and in its subsequent administration of that policy.

What happened

Ms S took out lifetime pet insurance through Many Pets in 2018 for her cat T. Last year she raised concerns about what happened when the policy was sold and subsequently. Those concerns included:

- She'd been told when taking the policy out claims weren't included as a rating factor but that was no longer the case and her premiums had increased.
- The policy excess had been increased to £99 without her knowledge.
- The policy didn't include a 'Money Back' feature which she thought it should have done.

Many Pets said when the policy was taken out individual claims weren't included in renewal pricing. However, the position on that had changed following feedback from customers and claims were used as a rating factor from July 2022 which applied to the subsequent renewal of Ms S's policy. The policy excess of £99 applied from June 2021 as, following Ms S's request to change from monthly to annual payment, a new policy needed to be set up (with continuation of cover). That had been explained to her at the time. And the policy she'd taken out didn't include a 'Money Back' feature.

Our investigator thought it likely Ms S had agreed to the £99 excess when changing her payment method. And the evidence didn't show her policy had ever included 'Money Back'. But he didn't consider Ms S had been given clear information about potential increases in premiums (and changes to how the premium was calculated) when cover was first taken out. However, as T didn't have any ongoing conditions it would still have been possible for Ms S to obtain cover elsewhere. Taking that into account he said Many Pets should pay £100 in recognition of the distress and inconvenience she was caused as a result of not being given clear information when the policy was taken out.

Many Pets agreed with his outcome. Ms S didn't agree and I've reviewed all her comments. Many of them relate to broader concerns about how the veterinary industry operates (which aren't something I can consider) or what happened after she made a claim on her policy in July 2024. I've considered those issues (and the change to the way premiums were calculated and their pricing) in a separate decision about the insurer of her policy. In relation to matters for which Many Pets is responsible Ms S said:

- She had signed up to the 'Money Back' feature when she took her policy out in 2018 and it was a factor in her decision to do so. The changes to her policy after she switched to annual payment were what then prevented her benefiting from that.
- When taking out the policy she was told claims wouldn't impact the premium she paid. But that was subsequently changed and there had been a significant increase in the

cost. And it hadn't been made clear that when T reached the age of nine that would impact the amount she was paying.

- When changing her payment method she asked why a new policy needed to be taken out and was told this needed to happen which she accepted. And it was easier for her to pay an annual amount as that matched her financial circumstances. She said Many Pets then changed insurer without informing policyholders about that.

So I need to reach a final decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The relevant rules say Many Pets needed to take reasonable steps to provide a customer with *"appropriate information about a policy in good time and in a comprehensible form so that the customer can make an informed decision about the arrangements proposed"*.

I've thought first about whether the policy Ms S took out did include the 'Money Back' feature. Many Pets says that wasn't available on her policy in 2018. And there's no reference to it being included in the limited policy information I've seen from that time. Many Pets says 'Money Back' option was offered on other policies from December 2021 but it's provided a policy certificate for Ms S's policy which says *'Not purchased'*.

I appreciate the 'Money Back' feature may have been something Ms S was in principle interested in but I haven't seen clear evidence that she opted for this (or would have been able to) at the point she took cover out or subsequently asked for this to be included. I don't think Many Pets did anything wrong here.

However, I haven't seen evidence Ms S was made aware when taking out lifetime cover of the potential for the premium to increase significantly over time. And I understand she was told individual claims wouldn't affect the premium. I appreciate that reflected the pricing position at that time. But that subsequently changed. It doesn't appear Ms S was given any indication that could happen. And as she was making a decision on lifetime cover I think that was something she should have been told so she could make an informed choice as to whether this was the right policy for T.

But even if she had been given clearer information on that I think it's most likely Ms S would still have taken this policy out. From her correspondence it's clear she wanted to ensure she had proper cover in place for T who was extremely important to her. And while she might have found an alternative lifetime policy they often take individual claims into account and the costs tend to increase in the same way as the insured pet gets older. So even if Many Pets had made clear how premiums could change in future I don't think Ms S would have acted any differently.

Nevertheless, when the premiums did increase and Ms S was told individual claims would now be considered that will have been a shock to her. But T doesn't appear to have had any pre-existing medical conditions at that point. So the change to the premium calculation method didn't directly impact Ms S and it still would have been open to her to take out cover elsewhere if she was unhappy with the amount being charged. Given that I think the £100 our investigator recommended is appropriate to recognise the impact on Ms S of what Many Pets got wrong.

I've also considered what happened when Ms S contacted Many Pets to change her payment method from monthly to annual. It appears in order to do that Many Pets needed to set up a new policy for her (with continuation of cover). And the excess it offered on new policies was £99 (rather than the £69 her previous policy offered). I do find it surprising Many Pets couldn't change Ms S's payment method without setting up a new policy. However, it's explained system limitations meant that was the only way this change could be made.

Ms S says she wasn't aware her policy excess would increase but the confirmation email she was then sent said *"To confirm, you are on the complete policy with £99 excess and 20% co payment will apply from the renewal date on the new policy"*. So I think Many Pets did make her aware of this change. And if Ms S had been unhappy with that or thought it didn't reflect her discussion with the adviser I think she'd have challenged this at the time. But her response to the email confirmation said *"You were extremely thorough with me & put my mind at ease that my policy continues to run as usual"*.

Ms S says Many Pets didn't tell policyholders about a change to the policy insurer. I don't agree with her on that. The renewal invite sent in June 2023 said *"just to let you know, if your policy renews on or after 1 January 2023, your cover will be underwritten by [name of new insurer]"*. So I think Many Pets did provide her with information about this change.

My final decision

I've decided to uphold this complaint. ManyPets Ltd will need to pay Ms S £100 if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 19 September 2025.

James Park
Ombudsman